

Mayor Charles "Skip" Lee called a meeting of the Sterling City Council to order at 6:30 pm on Monday, June 2, 2014. Roll call. Present: Aldermen Barry Cox, Retha Elston, Joe Martin, Chris Schuchard, Lou Sotelo, and John Stauter. Absent: None.

Also present were City Attorney Ron Coplan, City Manager Scott Shumard, City Management Intern Kevin Smith, Code Enforcement Officer Amanda Schmidt, Director of Financial Services Cindy Von Holten, Fire Chief Gary Cook, Police Chief Ron Potthoff, and City Clerk Marie Rombouts.

The Pledge of Allegiance was recited.

Heidi Scalise, 705 West Third Street, addressed the Council regarding the bait shop she hopes to open. She asked the City Council to hold a special meeting after the Plan Commission meeting to approve the change in the zoning code so they could open their bait shop for the fishing tournament this weekend. It has been eight weeks since they started this process. Mayor Lee asked Council members if they would be able to meet Thursday evening to expedite this process. Four members stated they would be available for the meeting. Attorney Coplan advised that at the close of the meeting, Mayor Lee announce that the meeting would be adjourned to a special meeting on Thursday.

LaVonne Finkle, 609 Avenue C, understood the public was excited to get the Illinois Public Transportation in the area. Finkle explained that she needs to use transportation to receive aqua therapy at the Clinton, Iowa YMCA. She has had a standing order and now the Illinois Public Transportation has denied her request because it is out of the county. She is unable to use her car because it was with Midas for eight months and she has not been able to get it out of the garage since she took it home. Finkle does not understand why we do not have a licensed aqua therapist in town.

Finkle suggested the City Police force utilize bicycles and horses to reduce vehicle costs. She stated the horses could be stabled at the Public Works barn. Another cost saving measure she suggested was reducing the number of lights on the First Avenue Bridge.

Rod Kleckler, President of the Sauk Valley Landlord Association, asked why large delinquent sewer bills are being sent to landlords. When landlords met with the City prior to the City billing sewer again, nothing was mentioned about billing landlords after so much time had passed. A 60-day notice was supposed to be sent when a tenant fell behind in payments. Property owners have called for information on tenants but told it is confidential because their name is not listed on the billing information. Kleckler thought the City was going to use the debt recovery program from the state and pursue

the tenants. Because so much time has elapsed, landlords are not able to collect from tenants. Manager Shumard explained that we can only shut off 20 properties per week and we can't send every late payment for collection. These collections have just started because we finally have staff in place. \$8000 has been collected in back bills. Mayor Lee stated that it is difficult to match landlords to specific properties and tenants. Finance Director Von Holten explained that they are pursuing the highest bills first so some of the smaller bills are still accruing debt. To work with landlords, penalties are being waived. Von Holten stated that landlords can receive duplicate billing for their properties to assure timely payments, but some landlords do not want to receive this information. It is at no cost to the landlord. Kleckler suggested the City require a deposit of \$100 from tenants to diminish these expenses.

Karen Sundae, 1411 Avenue I, is a 28 year resident of Sterling. She lives next to Washington School. She read about the rental inspection program and thinks it would be good to keep the rentals in check. The tenants in the rental property next to her sell crack and the owner lives in Cicero. The yard is overgrown. Sundae believes if landlords don't want a rental inspection program, they have something to hide. Sundae thanked Shumard for his comments in the newspaper about investing in a home. She wants to sell her house but is concerned about the loss in value.

Alderman Cox made a motion to approve the Consent Agenda as follows:

- A) City Council Minutes of May 19, 2014
- B) Bills and Payroll totaling \$571,531.10
- C) Petition to solicit donations for Happy Tails Animal Shelter on Saturday, June 14, 2014 from 9:00 am to 1:00 pm at the intersections of Second Avenue/Second Street, Locust/Third Street and First Avenue/Third Street
- D) Partial Pay Request #3 and #4 for 2013 Streets Contract #2 to Twin City Construction in the amount of \$90,680.23

The motion was seconded by Alderman Schuchard. Voting: Ayes – Aldermen Cox, Elston, Martin, Schuchard, Sotelo and Stauter. Nays – None. Motion carried.

Manager Shumard introduced Kevin Smith, the new City Management Intern. Kevin is from the DeKalb area, has a degree in public administration and political science, and is currently in the University of Kansas MPA program. Kevin is also a runner.

Alderman Elston made a motion to pass the Proclamation declaring June 14 as the official Juneteenth Celebration; seconded by Alderman Stauter. Voting: Ayes – Aldermen Cox, Elston, Martin, Schuchard, Sotelo, and Stauter. Nays – None. Motion carried.

Alderman Elston made a motion to award Contract #1 Hey's Lift Station Sanitary System Improvements to the low bidder, Fischer Excavating, Inc. in the amount of \$275,195.56; seconded by Alderman Sotelo. Manager Shumard explained this is the

first of a possible three phase project. During heavy rains, the Windsor station runs to the Hey's lift station. Contract #1 will bypass the Hey's station to cut the flow by 50%. If this phase does not decrease the flow sufficiently, we will proceed with Contract #2. Voting: Ayes – Aldermen Cox, Elston, Martin, Schuchard, Sotelo, and Stauter. Nays – None. Motion carried.

Mike Mudge with Rock River Energy presented a second round of bids for the Electrical Aggregation Program. Mudge reported Sterling citizens realized great savings during their first two years of the program. Next year looks like a wash but there will probably be savings in the following two years. Commonwealth Edison (CE) rates are 7.596 with PEA and the best bid received is 7.60 for a three-year term. Mudge explained that CE changes annually; he feels it is prudent to lock into a three-year rate. The rate of 7.60 gives citizens a standard to compare to. Mudge added that Mid American has no termination fees for citizens to opt out at any time during the three-year contract. Mudge explained that PEA stands for Purchase Energy Adjustment, an adjustment that can change the cost monthly.

Mayor Lee summed up the two choices as 1) do nothing which returns citizens to CE or 2) approve contract with Mid American for three years at 7.60 cents per kWh. Manager Shumard believes we will be in a better position if we take the contract with Mid American because citizens can opt out of the program. Mudge explained that if we do nothing, the City must remain with CE for one year before they can seek bids again.

Alderman Cox made a motion to reject the bids and switch back to Commonwealth Edison. The motion died for lack of a second.

Alderman Stauter asked if Mudge predicts a higher rate if we wait for one year. Mudge anticipates all rates to increase. Citizens have the rates for 2017 and 2018 with a standard of Mid American's rates (7.60) to compare to if they opt out for one year. Mudge noted that Mid American dropped its rates during the second round, but all other bids were higher.

Alderman Sotelo made a motion to accept the bid for Municipal Electrical Aggregation from Mid American for a three-year term of 7.60 cents per kWh; seconded by Alderman Schuchard. Voting: Ayes – Alderman Elston, Martin, Schuchard, Sotelo, and Stauter. Nays – Alderman Cox. Motion carried. Mike Mudge stated that he will be back in one year to review the rates.

Chief Potthoff reported the state has released some grant money and the City has acquired an electronic sign trailer that is presently sitting in the northeast corner of the City's parking lot. It will likely be used for rerouting during parades.

Mayor Lee asked Chief Potthoff about truck weight loads. Chief Potthoff stated there were issues with judges and the state's attorney so the City should recertify their equipment.

Manager Shumard reported the first movie was rescheduled from tonight to tomorrow because of the weather forecast. The assessment grant that Rock Falls received for the limestone building is the same grant we applied for to proceed on the Lawrence Building so we will be looking for other opportunities. Bids are due on June 11 to start bringing in mud to the riverfront. Fifth Avenue construction between LeFevre and Miller Road will begin June 4.

Mayor Lee announced the first band concert on Wednesday, June 11.

Alderman Elston stated the Memorial Day celebration was very nice.

At 7:52 pm Alderman Sotelo made a motion to move to Closed Session for the purposes of discussing personnel performance and compensation according to 5 ILCS 120/2(c). The motion was seconded by Alderman Martin. Voting: Ayes – Aldermen Cox, Elston, Martin, Schuchard, Sotelo, and Stauter. Nays – None. Motion Carried.

At 8:25 pm Alderman Martin made a motion to reconvene the open meeting; seconded by Alderman Elston. Voting: Ayes – Aldermen Cox, Elston, Martin, Schuchard, Sotelo, and Stauter. Nays – None. Motion carried.

Alderman Martin made a motion to raise the City Manager's salary to \$104,700 with all other conditions remaining the same, retroactive to January 1, 2014; seconded by Alderman Elston. Alderman Martin explained that the Manager has had no raises in several years and this a comparable salary to other communities. Alderman Cox stated it may be comparable but we are still in Sterling. Alderman Elston endorses the raise for all the work that the Manager does. Voting: Ayes – Aldermen Cox, Elston, Martin, Schuchard, Sotelo, and Stauter. Nays – None. Motion carried.

With no further business to discuss, Alderman Sotelo made a motion to adjourn to a special meeting at 6:30 pm on Thursday, June 5, 2014; seconded by Alderman Elston. Voting: Ayes – Aldermen Cox, Elston, Martin, Schuchard, Sotelo, and Stauter. Nays – None. Motion carried. Meeting adjourned at 8:29 pm.

Marie Rombouts
City Clerk